

General Assembly

Raised Bill No. 5088

February Session, 2012

LCO No. 808

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Referred to Committee on General Law

Introduced by: (GL)

AN ACT CONCERNING SELF-SERVICE STORAGE FACILITY LIENS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. Section 42-159 of the general statutes is repealed and the
- 2 following is substituted in lieu thereof (*Effective July 1, 2012*):
- 3 As used in this chapter:
- 4 (1) "Self-service storage facility" means any real property designed 5 and used for the renting or leasing of individual self-contained units of 6 storage space to occupants who are to have access to such units for 7 storing and removing personal property only, and not for residential 8 purposes. A self-service storage facility and an owner are not a 9 warehouse, as defined in section 42a-7-102, except that if an owner 10 issues a document of title, as defined in section 42a-1-201, for the 11 personal property stored, the owner and the occupant are subject to 12 the provisions of article 7 of the Uniform Commercial Code and the 13 provisions of this chapter do not apply.
- 14 (2) "Owner" means the owner, operator, lessor, or sublessor of a self-15 service storage facility, his <u>or her</u> agent, or any other person authorized

- by him <u>or her</u> to manage the facility or to receive rent from an occupant under a rental agreement.
- 18 (3) "Occupant" means a person, or the sublessee, successor, or 19 assignee of a person, entitled to the use of a storage unit at a self-20 service storage facility under a rental agreement, to the exclusion of 21 others.
- 22 (4) "Rental agreement" means any written agreement or lease that 23 establishes or modifies the terms, conditions, rules or any other 24 provisions concerning the use and occupancy of a unit in a self-service 25 storage facility.
- 26 (5) "Personal property" means movable property not affixed to land 27 and includes, but is not limited to, goods, merchandise, household 28 items and motor vehicles.
- 29 (6) "Last known address" means [that] <u>a postal or electronic</u> address 30 provided by the occupant in the latest rental agreement or [the] <u>a</u> 31 <u>postal or electronic</u> address provided by the occupant in a subsequent 32 written notice of a change of address.
- 33 (7) "Default" means failure to perform any obligation or duty 34 imposed by a rental agreement or by this chapter.
- Sec. 2. Section 42-161 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2012*):
- 37 (a) No owner may satisfy the lien provided for in section 42-160 unless he <u>or she</u> complies with the procedure set forth in this chapter.
- (b) The owner shall notify the occupant and any person who has filed a valid security interest in such property with the Secretary of the State of his <u>or her</u> intention to satisfy the lien with a written notice which shall be delivered in person or sent by <u>electronic mail or by</u> registered or certified mail, return receipt requested, to the last known address of the occupant.

- Sec. 3. Section 42-164 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2012*):
 - (a) After the expiration of the time given in the notice for the occupant to pay the amount due, if the owner wishes, he <u>or she</u> may place an advertisement of the sale or other disposition of the personal property in a newspaper of substantial circulation, or <u>may advertise</u> such sale or other disposition in a commercially reasonable manner, including, but not limited to, electronic advertisement in the municipality where the self-service storage facility is located. Such advertisement shall be published at least twice within a period not less than ten days preceding the date of such sale or other disposition. The advertisement shall include: (1) A description of the personal property subject to the lien according to the requirements of section 42-162; (2) the name of the occupant, the address of the self-service storage facility, the unit number, if any, of the storage space where the personal property is located; and (3) the time, place and manner of the sale or other disposition.
 - (b) Such sale or other disposition of the personal property shall not take place sooner than ten days after the first publication of the advertisement nor sixty days after the date of default.
 - (c) If there is no newspaper of substantial circulation in the municipality in which the self-service storage facility is located, the advertisement shall be posted at least ten days before the date of the sale or other disposition of the personal property in not less than six conspicuous places in the neighborhood where the self-service storage facility is located.
 - (d) The proceeds of a sale under this section shall be allocated to pay the expenses of such sale, then to the holder of any lien or security interest having priority over that of such owner, then to the owner.
- 74 <u>(e) An electronic advertisement made pursuant to subsection (a) of</u> 75 this section shall be deemed commercially reasonable if such

- 76 advertisement was for the sale of personal property that was sold at a
- 77 public auction where not less than three bidders who are unrelated to
- 78 the owner were in attendance.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2012	42-159
Sec. 2	July 1, 2012	42-161
Sec. 3	July 1, 2012	42-164

Statement of Purpose:

To modernize self-storage facility lien laws.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]